

Regulation

on prequalification and definition of Icelandic enterprises in relation to procurement
on the basis of the Sealift Treaty.

Article 1

In conducting prequalification of Icelandic enterprises for procurement of transport services between Iceland and the United States, on the basis of the Treaty between the United States of America and the Republic of Iceland to Facilitate their Defense Relationship of 24 September 1986 and Memorandum of Understanding in Implementation of the Treaty of the same date, the methods described in this regulation shall be applied.

Article 2

Definitions

In conducting the prequalification for this procurement, the Treaty term: "Icelandic Shipping companies" shall be defined in the following manner:

a) "Icelandic Shipping companies" shall be considered to be enterprises that fulfill all the following criteria, cf. the provision of sub-paragraph j) of Article 1 of the Act on Implementation of Certain Aspects of the Defense Relationship between Iceland and the United States of America, no. 82/2000:

1. Are registered in Iceland and operate their headquarters in Iceland.
2. Are geographically located in Iceland and fall under Icelandic jurisdiction.
3. Chief executives and key personnel of the enterprise reside in Iceland.

b) The Treaty terms "Vessels, operated by Icelandic Shipping companies" shall be defined as vessels under effective control and command of Icelandic Shipping companies. This requires that Icelandic Shipping companies should have a direct control relationship with the ships crews and be directly responsible for hiring and firing crewmembers. In conducting the prequalification for this procurement, the sole criteria used should be whether participating companies fulfill the conditions of sub-paragraphs a) and b) of this article, but not other criteria related to work experience or capability to fulfil the contract being offered, described in paragraph 2, of Article 8 of Act no. 82/2000.

Article 3

Entry into force

This regulation is based on the authorisation contained in sub-paragraph j) of Article 1, paragraph 1 of Article 8 and paragraph 2 of Article 9 of Act no. 82/2000 and will enter into force immediately.

The Ministry for Foreign Affairs, 1 July 2003.